interest-free refundable Security Deposit of Rs. 2,28,15,826.00 equivalent to 3 years rent. (The Annual Rent and corresponding Security Deposit to increase by 30% every 10 years). L&DO also received Rs, 36,46,366/- towards advance ground rent for the period from October 8, 2002 (date of execution of transaction documents) to March 31, 2003.

7. Incomplete Chandigarh Project: Chandigarh Administration would receive Annual Ground Rent @ 31,89,375/- for 1st 33 years, @ 47,84,063/- for the next 33 years and @ 63,78,750/- for the last 33 years in terms of the Chandigarh Lease Hold of Sites & Building Rules, 1973. Chandigarh Administration also received Rs. 95,68,125/- as interest-free refundable Security Deposit equivalent to 3 years annual rent. Apart from the above, Chandigarh Administration also received Rs, 14,59,248/- towards advance ground rent for the period from 16 October, 2002 (date of execution of transaction documents) to March 31, 2003.

8. Hotel Ranjit, New Delhi: L&DO would receive Annual Ground Rent of Rs. 40,70,325/- and Interest-free (refundable) Security Deposit of Rs. 1,22,10,975/- equivalent to 3 years Annual Ground Rent. (The Annual Rent and corresponding Security Deposit to increase by 30% every 10 years). L&DO also received Rs. 19,62,677/- towards advance ground rent for the period from October 7, 2002 (date of execution of transaction documents) to March 31, 2003.

Disinvestment of PSUs

1821. SHRI PRASANTA CHATTERJEE: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Disinvestment is meant to strengthen private sector giants at the cost of public sector;

(b) if not, why the public sector HPCL, BPCL and IPCL are being sold to private sector companies who naturally would be a powerful petroleum sector corporate; and

(c) will it create a healthy competition?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) No, Sir. The object of disinvestment is to put national assets to optimal use and to unleash the productive potential inherent in public sector

enterprises. As per the declared policy of the Government on disinvestment, all non-strategic PSUs can be disinvested, though the Government may continue the presence of public sector, as a countervailing force, where necessary, to prevent concentration of power in private hands. IPCL has already been disinvested on 4th June, 2002. There is no evidence so far that the disinvestment has resulted in abuse of market dominance. With respect to BPCL and HPCL, Government had decided in February, 2002 in principle' to disinvest in these companies with the modalities to be worked out through consultations between the different Ministries concerned. Modalities will be worked out in the coming weeks.

Post-closure settlement of BALCO

1822. SHRI JIBON ROY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Rs. 12.64 crores have been paid to M/s Hindustan Lever Ltd. as post-closure settlement; and

(b) whether it is also a fact that M/s Sterlite is also claiming Rs. 16.72 crores as post-closure settlement of BALCO?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir. Financial bid of M/s Hindustan Lever Ltd. (HLL) for acquiring 74% Government equity in Modern Food Industries (India) Ltd. (MFIL) was based on the audited accounts of MFIL for the year ended 31-3-1999. The Share Purchase Agreement between the Government and HLL was executed on 31-1-2000. It provided for post-closing adjustments in the following manner:—

(i) If the Closing Date Net Working Capital Amount is greater than the 1999 Net Working Capital Amount, the Purchaser shall pay the Government an amount equal to the difference between the Closing Date Net Working Capital Amount and the 1999 Net Working Capital Amount multiplied by 0.74. If the 1999 Net Working Capital Amount is greater than the closing Date Net Working Capital Account, the Government shall pay the Purchaser equal to the difference between the 1999 Net Working Capital Amount and the Closing Date Net Working Capital Amount multiplied by 0.74.